

Office Memorandum • UNITED STATES GOVERNMENT

TO : Mr. Ladd *JPC*

FROM : J. P. Coyne *JPC*

SUBJECT: *Security Index*
REDIRECTION OF COMMUNIST INVESTIGATIONS

DATE: March 2, 1948

Mr. Tolson	_____
Mr. E. A. Tamm	_____
Mr. Clegg	_____
Mr. Glavin	_____
Mr. Ladd	_____
Mr. Nichols	_____
Mr. Rosen	_____
Mr. Tracy	_____
Mr. Carson	_____
Mr. Egan	_____
Mr. Gurnea	_____
Mr. Harbo	_____
Mr. Hendon	_____
Mr. Pennington	_____
Mr. Quinn Tamm	_____
Tele. Room	_____
Mr. Nease	_____
Miss Holmes	_____
Miss Gandy	_____

Your attention is directed to the attached letter from the New York Office dated February 21, 1948, wherein New York sets forth a very practical problem with which it is confronted in so far as compliance with the terms of the Redirection Program is concerned. The New York Office observes in its letter, and rightfully so, that it has attempted to follow in spirit and in action the concepts of the Redirection Program. The New York Office relates, however, that it has received a number of requests of late from the Bureau directing that Security Matter - C investigations be conducted of individuals whom the New York Office would not ordinarily on its own conduct investigations concerning. The New York Office cites several cases falling in the latter category and makes the observation that if it were to investigate the people mentioned in this category that it would be just as logical for New York to likewise open investigation on a great many other individuals who are in like status in the Communist Party in the New York area.

After presenting its problem the New York Office requests Bureau consideration and advice as to the manner in which it should proceed with respect to its problem in the future.

Before considering the problem in detail, it should be specifically recalled that almost 50% of the Communist Party members in the United States are located in the New York area. It should likewise be recalled that we have only investigated a handful of Communists in the New York area even though we know full well that there are approximately 30,000 located there. It should be noted that in the New York Office there are 1,168 security index cards on subjects falling in the Communist category, which means that we have catalogued only one out of approximately 29 Communists in the New York area as being dangerous or as being potentially dangerous, whereas in other offices we find that the statistics are considerably higher when considered on a ratio basis. Considered nationally, our offices throughout the country maintain security index cards on 11% of the membership in their respective Field Divisions, whereas New York has security index cards on only 3%.

SECURITY INVESTIGATIONS OF INDIVIDUALS

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Handwritten initials and signature

Memorandum to Mr. Ladd

The entire problem presented by the New York Office has been considered in detail by the following men in the Internal Security Section: F. J. Baumgardner, E. J. Powers, E. H. Winterrowd, J. E. Milnes, M. E. Torrens, L. G. Davis, Lish Whitson, and the writer. We are all in full agreement with the New York Office that it is confronted with an almost insurmountable problem but at the same time we are fully agreed that the answer to the problem can be found only in the question of manpower implementation.

The New York Office has kept within the terms of the Redirection Program but in my opinion it has kept too far within the boundaries of that program due solely to the fact that it does not have sufficient manpower to broaden its investigations to all of the subjects in the New York area who are either dangerous or potentially dangerous. Certainly, since the headquarters of the Communist movement in the United States are located within the confines of the New York Field Division and since approximately 50% of the Communist Party members in this country are likewise located within that Division, logic would appear to dictate that additional Security Matter - C investigations of potentially and actually dangerous Communists in the New York area are in order; or, on the other hand, logic would dictate that all of our other Field Offices are wrong when they carry approximately 11% of the membership in their security index. I am thoroughly convinced that the other offices are right and that the New York Office cannot be right on this score until there is a substantial manpower implementation in the New York Field Division for assignment to Communist work.

The Bureau's position was quite right in opening and ordering investigations in the cases cited in the New York letter for all of the subjects listed certainly appear to fall in the potentially dangerous if not the actually dangerous category. It is quite apparent to the Supervisors handling individual cases here at the Bureau and to the writer that there undoubtedly should be a great many additional investigations conducted of individual Communist Party members in the New York area in line with the terms of the Redirection Program if we are to fulfill our responsibility and our desires to be on top of the potentially and actually dangerous Communists when and if R-Day arrives. If we were faced with an incursion on our shores tomorrow we very definitely would not be in the position of knowing nor of having investigated the Communists in the New York area who would fall in the category of potentially or actually dangerous. This observation is not

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predicated upon guess work, but rather is predicated upon our experience in the same field in all of the other Field Divisions of the Bureau. In the majority of those other Field Divisions we feel that we do know most of the Communists who come within the purview of dangerous or potentially dangerous as we have come to generally recognize those terms. By the same token, we definitely do not know the Communists in the New York area who fall within these categories. As a matter of fact, we do not even know the names of a great many of them and we will not know their names, their background, their degree of dangerousness, et cetera, unless and until we substantially supplement the manpower in the New York Field Division currently assigned to the investigation of Communist activities.

It is my considered view that every effort should be made immediately by the Bureau to substantially increase the manpower on Communist work in New York if the Bureau is not to be found wanting when and if the time occurs when we will be called upon to designate if not actually apprehend those members of the Communist movement considered a threat to our internal security.

ACTION:

1. It is recommended that this memorandum be referred to the Administrative Division for consideration and such action as is deemed apropos.

2. It is recommended that arrangements be made immediately to permit the men assigned to the Communist Squad in New York who are now working Loyalty cases to return immediately to their Communist work. (It is fully appreciated by the writer that the Loyalty Program at this time is all important to the Bureau, but it would seem advisable to cut corners on other categories of our work -- particularly nonsecurity categories -- in deference to the Loyalty Program, assuring at the same time that we will not be found wanting because we cut corners on our Communist coverage.)

3. There is attached a letter to the New York Office advising that the problems outlined in the New York letter of reference are being afforded consideration at the Bureau. The letter indicates that the New York Office will be advised as to the Bureau's decision in this matter in the near future.

4. It is suggested that you may be desirous of referring the subject matter of this memorandum to the Executive Conference for consideration. Subsequent thereto it is suggested that it be referred to Mr. Whitson who is conducting

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a survey at this time on the Director's instructions with respect to the many questions and problems which we will encounter relative to the program involving the detention of Communists in the event of war with the Soviet Union. Parenthetically on this score, it might be observed that in so far as the Communists in the New York area are concerned we are in no position at this time to carry out any definite policy with respect to all dangerous Communists in the event of an emergency since we definitely do not know who all of the dangerous Communists are. If you agree, this entire problem will be taken into consideration by Mr. Whitson in the course of the survey and in order to insure the completeness of that survey it is felt that Mr. Whitson should look into the practical investigative problems at New York which must be met both on the score mentioned hereinabove and which also must be met in the event of war with the Soviet Union.

The recommendations set forth above, as well as the observations in the body of this memorandum, are not solely my views but they also coincide completely with those of the following men who are devoting their full time to work on various phases of the Communist picture:

- F. J. Baumgardner - Number One Man, Internal Security
- E. J. Powers - Number Two Man, Internal Security
- J. E. Milnes - Supervisor, Top Functionaries, Key Figures,
Security Matter - C cases
- M. E. Torrens - Supervisor, Top Functionaries, Key Figures,
Security Matter - C cases
- E. H. Winterrowd - Communist Party and Communist Party Brief
- Lish Whitson - Russian Espionage and the Communist Party Brief

Federal Bureau of Investigation
United States Department of Justice
New York, 7, New York

February 21st, 1948

Director, FBI

Attention of Assistant Director D. M. Ladd

Re: Re-Direction of Communist Investigations

Dear Sir:

During recent weeks the New York Office has received instructions by letters from the Bureau to open or re-open investigations on numerous individual members of the Communist Party, looking toward proof of potential dangerousness and therefore preparation of Security Index Cards on the subjects. The purpose of this letter is to present certain observations for the Bureau's consideration as to the desirability of this procedure.

As the Bureau is aware, there are approximately 30,000 Communist Party members in the New York area. This membership is controlled through 1,016 clubs, which are subordinate to the 79 sections comprising District No. 2, CP, USA. In addition, where the membership is numerous, the sections may be subordinate to the county organization, as in the case of the four boroughs. Each of the clubs has from four to six officers, such as Organizer, Secretary, Literature Director, Educational Director, Membership Director, et cetera. The sections, counties, and District No. 2 itself have an increasing number of officers, dependent on the size of the organization. It will thus be seen that if we adopt a policy of investigating as potentially dangerous all officers of clubs, sections, counties, and District No. 2, the investigations will number well into the thousands.

It would be well to remember that at this time the policy of the Party is to break down the clubs into still smaller clubs. If this policy is carried out, there will be additional officers.

Up to the time that the Bureau instituted the Re-Direction Program in Communist investigations, this office was opening cases on all individuals who were members of the Communist Party as such membership was learned. Of course, such a procedure would be desirable if sufficient personnel and funds were available to the Bureau, on the theory that any member of the Communist Party is potentially dangerous. Under the Re-Direction Program, however, this office has been investigating only those individuals who are top functionaries or concerning whom we already have information indicating that individual is potentially dangerous and thus should be the subject of a Security Index Card.

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*see to Winterrowd
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Letter to the Director re Re-Direction of Communist Investigations Feb. 21, 1948

This office presently has 1,300 Security Index Cards, 1,168 of which pertain to subjects handled by the Communist section. The subjects of these cards necessarily are in many instances officers holding responsible positions in the Communist Party, either in the National Headquarters, the district or county organization, or the section. Indeed, a number of them are officers in clubs. However, the designation of a Communist Party member as a Security Index subject is not dependent primarily on the position held by the subject but rather on the potential dangerousness of the subject, either through the position held by him, if of sufficient importance, or the extent to which his apprehension in time of emergency would cripple the Communist Party organization. Of course, as the Bureau is aware, we have as subjects of Security Index Cards individuals who are not related to the Communist Party but who, through other affiliations, are considered potentially dangerous to this country.

From a scrutiny of the letters from the Bureau referred to in my opening paragraph, there appears to be a definite question as to the desirability of conducting investigations in certain of these cases when the policy of the Re-Direction Program is kept in mind.

In other words, if we are going to investigate the Educational Director of one club or one section, merely because of his position, presumably we should investigate all persons occupying such positions. On the basis of position only, this office has followed the policy of instituting investigations on all officers in the national, district and county organizations and on the organizers in the various sections. This does not mean, of course, that we have not and will not investigate other Communist Party members when there is reason to believe that they are potentially dangerous to this country. However, the mere fact that an individual occupies the position of Educational Director, Literature Director, et cetera, of a section or club, does not in our opinion warrant an investigation. The possible exception is the position of Membership Director in the sections, when his identity is known. We have in the past conducted investigations on an individual occupying this position, not from the standpoint of his particular dangerousness, but in the hope that we could secure a membership list through the investigation on him and because in the event of an emergency the apprehension of the Membership Director might disclose such lists and consequently it may be desirable to have the Membership Director listed as a Security Index subject.

It is also desired to point out that through our extensive trash coverages in this area, we are constantly securing information which indicates the activities of members on whom there is no current investigation. In the even such information indicates that the individual in question is becoming potentially dangerous, an investigation is, of course, immediately opened.

As examples of the above discussion, attention is called to the following instances:

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Bureau letter dated February 13th, 1948 entitled "~~Zelda~~ Alfort, Security Matter (C)", pointed out that Alfort is the Educational or Literature Director of the Coney Island Section of the Kings County Communist Party, and suggests that an investigation be conducted relative to her. It is respectfully suggested that under the policy of the Re-Direction Program and existing conditions of shortage of personnel, an investigation of the Educational or Literature Director of a section is not warranted.

Bureau letter dated February 13th, 1948 entitled "~~Gene~~ Rubenstein, Security Matter (C)", points out that Rubenstein is Membership Director of Club No. 1 of the Jefferson Section. Here again it is not felt that under existing conditions an investigation is warranted concerning a Membership Director of a club, bearing in mind that there are 1,016 clubs in this area.

Bureau letter dated February 13th, 1948, entitled "~~Heinz~~ Norden, was, Security Matter (C)", transmits a copy of a report from Military Intelligence relative to this subject and instructs that an investigation be conducted with a view to recommending the preparation of a Security Index Card on the subject. It does not appear that the allegations relative to this subject are sufficient to warrant an investigation under the Re-Direction Program.

Bureau letter dated February 12th, 1948, entitled "~~Harry~~ Malinow, wa, Security Matter (C)", points out that Harry Malinow is the Educational Director of Boro Park Section of the Kings County Communist Party, and instructs that an investigation be conducted with a view toward recommending the preparation of a Security Index Card. Under the Re-Direction Program and in view of the discussion set out above, it is not believed that this individual warrants further investigation at this time.

Bureau letter of February 10th, 1948, entitled "~~Anita~~ Baron, Security Matter (C)", sets forth that Baron is the Director of the Bath Beach Section of the Kings County Communist Party and instructs that an investigation be conducted to ascertain if she is identical with the subject of a case in this office and consider recommending the preparation of a Security Index Card for her. The report of SA R. Wilbur Daeschner dated November 2nd, 1944 in this case reflects evidence that Anita Baron was Legislative Director of the Bath Beach Club of the Communist Party. Further evidence to this effect is contained in the report of SA Albert N. Carlblom dated February 26th, 1945. Under present conditions, it is not believed that a further investigation of this subject, a legislative director, is warranted or that she should be considered for the preparation of a Security Index Card.

I trust that the Bureau will understand our request for advice in considering these cases, which are but examples of numerous letters received recently by this office. We have attempted to follow in spirit and in action

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the concepts of the Re-Direction policy, as set forth by the Bureau some time ago. We have attempted to thoroughly cover Communist activities in the New York area and yet restrict ourselves to those matters considered necessary and important. In view of the number of Communists in this area, we can readily waste manpower on unessential investigations unless we carefully scrutinize each case to be opened. This is particularly true in view of the necessary utilization of manpower from the Communist Section of this office on loyalty investigations.

I would appreciate the Bureau's observations on the above.

Very truly yours,

Edward Scheidt
EDWARD SCHEIDT,
SAC